

Housing Benefit and Council Tax Benefit Circular

Department for Work and Pensions
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HB/CTB A3/2013

ADJUDICATION AND OPERATIONS CIRCULAR

WHO SHOULD READ	All Housing Benefit (HB) and Council Tax Benefit (CTB) staff. All Local Authority Managers administering council tax reduction schemes.
ACTION	For information
SUBJECT	Using social security data for Council Tax purposes.

Guidance Manual

The information in this circular does affect the content of the HB/CTB Guidance Manual. Please annotate this circular number against Chapter D3, paragraph 3.190.

Queries

If you

- want **extra copies of this circular/copies of previous circulars**, they can be found on the website at <http://www.dwp.gov.uk/local-authority-staff/housing-benefit/user-communications/hbctb-circulars/>
- have any queries about the
 - **technical content of this circular**, contact Carol Foster-Middleton
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The Social Security (Information-sharing in relation to Welfare Services etc.) (Amendment) Regulations 2013

Introduction

1. This circular provides details about amendments to **The Social Security (Information-sharing in relation to Welfare Services etc.) Regulations 2012** (referred to as the '2012 regulations'). A copy of the 2012 regulations can be accessed at: <http://www.legislation.gov.uk/uksi/2012/1483/contents/made>
2. The 2012 regulations introduced new data sharing powers, enabling the Department for Work and Pensions (DWP) to supply social security information to local authorities (LAs) for a number of welfare services purposes; and allowing LAs to use that information along with other locally held data, for a number of welfare services purposes.
3. Full details of the 2012 regulations were provided in circular HB/CTB A5/2012, and a copy can be accessed at: <http://www.dwp.gov.uk/docs/a5-2012.pdf>
4. **The Social Security (Information-sharing in relation to Welfare Services etc.) (Amendment) Regulations 2013** (the 2013 regulations) come into force on 11 February 2013, and add a new purpose to the legislation. Local Council Tax Reductions (LCTR) schemes are added to the list of prescribed purposes for which social security data can be used and shared. This will enable LAs to design and set up new local schemes; and to assess a person's entitlement to support under the new scheme.
5. These regulations apply to all LAs in England, Scotland and Wales.
6. A copy of the regulations can be accessed at: <http://www.legislation.gov.uk/uksi/2013/41/made>

Description of the changes

Definition of Local Council Tax Reduction scheme

7. The 2013 regulations prescribe new (LCTR) schemes as a purpose for which data can be shared under these provisions. An LCTR scheme is defined as follows:
 - a. in England and Wales, has the meaning given in section 13(A)(9) of the Local Government Finance Act 1992 and in England includes a default scheme within the meaning of paragraph 4 of Schedule 1A to that Act; and
 - b. in Scotland, means a means tested reduction to an individual's Council Tax liability in accordance with the Council Tax Reduction (Scotland)

Regulations 2012 or the Council Tax Reduction (State Pension Credit) (Scotland) Regulations 2012.

Purpose

8. The 2013 regulations insert a new Part 4 into the 2012 regulations. New regulation 12 deals with the supply of relevant information by the Secretary of State. This permits DWP to share social security benefit details with LAs for the purposes of:
 - a. making a LCTR scheme;
 - b. determining a person's entitlement or continued entitlement to a reduction under a LCTR scheme.
9. New regulations 13 and 14 together deal with the use of relevant information that is held by the LA. Where an LA has been supplied with social security information under the terms of regulation 12 above, they can then use it themselves or share it with another LA for the purposes as described at (a) and (b) in the paragraph above.

Designing new schemes

10. The regulations are being introduced from 11 February 2013 so that LAs have some time in advance of April 1, when new LCTR schemes come into force, to set up such schemes. Where it is helpful to access existing Council Tax Benefit (CTB) data in order to inform the design of new schemes, legislation will permit this.

Council Tax Benefit

11. Legislation will also permit LAs to access individual CTB claims to assess whether individuals are entitled to help under the new reduction schemes. Any relevant social security benefit information held locally including information collected in relation to individual CTB claims can be used to determine a person's entitlement to support under new LCTR schemes.
12. From 1 April 2013, CTB is abolished. DWP will continue to send social security benefit information to LAs for the purpose of administering HB. And from April, this will include the new purpose of administering LCTR schemes.

HM Revenue and Customs (HMRC) data

13. The provisions described in this circular apply to social security information. They do not cover the supply or use of HMRC data such as tax credit information. Separate legislation is being made which will enable the supply and use of HMRC data, and LAs will be advised in due course when these are due to come into force. This is expected to be by no later than April 2013.

Preventing fraud and error

14. In the course of administering new local schemes each LA can use any locally held social security information that has been provided under the provisions in these regulations, or access further up to date social security information using the Customer Information System (CIS), in order to establish the accuracy of any part of a new claim, or to make subsequent checks in relation to ongoing awards. The regulations permit the use of social security information in this way, in relation to individual claims or awards. What is not permitted is any bulk use of data such as in a data matching exercise.

Supply of information by DWP

15. Operational advice will be issued separately. However, social security information is already supplied to LAs in connection with the administration of HB/CTB. It is intended that information will continue to be supplied in this way, including access to CIS. LA staff accredited to access CIS will be able to use this access in order to administer LCTR schemes. A revised Memorandum of Understanding will be provided in due course, referring to these arrangements.